

Item: _____ RDA RESO 08-15
Fiscal Impact: _____ \$6,200,000
Funding Source: _____ 1
Account #: _____
Budget Opening Required: ☒

ISSUE:

A resolution authorizing the West Valley Redevelopment agency to issue bonds for the purpose of purchasing properties in the City Center Redevelopment Area.

SYNOPSIS:

The West Valley Redevelopment Agency has determined that purchasing properties located in the City Center Redevelopment Area will assist in the future development of this area. The acquisition of properties will be financed by issuing bonds. Bonds to be issued for a term of 5 years, callable in 2 years. Rate to be 3.10% over the 5 year treasury rate as a market close July 1, 2009. Approximate issue amount, \$6,200,000.

BACKGROUND:

The proceeds of bonds issued will be used by the Redevelopment Agency (the “Agency”) of West Valley to acquire certain real properties (the City Center Project) in an area neighboring the West Valley City Governmental complex. The Projects will be completed by the Agency to facilitate redevelopment activity in conjunction with the completion by the Utah Transit Authority of its light rail transit system to an area adjacent to the City’s governmental complex. Revenues generated from rental and lease income will be used for debt service and maintenance costs. Additional future revenues from RDA increment and sale of properties may be used for debt service.

RECOMMENDATION:

Approval of this resolution

SUBMITTED BY:

James D. Welch, Finance Director